

WHAT IS CLAIMED IS:

1. A program controlled system for transmitting tax related data to a selected financial institution, reporting the data and remitting funds corresponding to the data, over an interactive communications network, to a selected government authority, the system comprising:

a first function for receiving an XML-based transaction request from a program controlled tax computation system, verifying the validity of the request and replying to the system with an XML response;

a second function for transforming the transaction request into a master XML-based request file and storing the master request file in a database;

a third function for notifying an authorized third party to validate any request requiring approval prior to transmission of the tax related information file to the financial institution;

a fourth function for transforming the master XML-based request file to a TXP-based file and locating the file in an outbox for retrieval by the financial institution;

a fifth function for permitting the financial institution to securely and automatically retrieve the TXP-based file from the outbox; and

a sixth function for securely logging and allowing the third party to review the TXP-based file.

2. A program controlled apparatus for transmitting tax related data to a selected financial institution, reporting the data and remitting funds corresponding to the data to a selected government authority, the apparatus comprising:

a first function for receiving an XML-based transaction request from a program controlled tax computation system and replying to the system with an XML-based response including a transaction identifier;

a second function for verifying the validity of the XML-based request of the tax computation system and storing the valid transaction request in a database;

a third function for transforming the request into a master XML-based request and storing the master request in the database;

a fourth function for notifying an authorized third party to validate any request requiring approval prior to transmitting the tax related data;

a fifth function for building a total XML-based file and transforming the file into a first TXP-based file for remitting information associated with the file over an automated clearinghouse network to a selected government authority, and for copying the first TXP-based file to an outbox file for secure and automatic access by the financial institution;

a sixth function for receiving the first TXP-based file as a first TXP-based receipt file in an inbox file subsequent to processing of the first TXP-based file by the financial institution; and

a seventh function for decrypting the first TXP-based receipt file, for storing the decrypted file as a second TXP-based receipt file in the database, and for substantially deleting the first TXP-based file and the first TXP-based receipt file from the outbox file and inbox file, respectively.

3. A program controlled apparatus for transmitting tax related data to a selected financial institution, reporting the data and remitting funds corresponding to the data to a selected

government authority, the system comprising:

a first function for receiving an XML-based transaction request from a tax computation system and replying with an XML-based response including a transaction identifier;

a second function for verifying the validity of the XML-based request of the tax computation system and storing the valid transaction request in a database;

a third function for transforming the request into a master XML-based request and storing the master request in the database;

a fourth function for notifying an authorized third party to validate any request requiring approval prior to transmitting the tax related data;

a fifth function for building a total XML-based file and transforming the file into a first TXP-based file for remitting information associated with the file to a selected government agency, and for copying the first TXP-based file to an outbox file for secure and automatic access by the financial institution;

a sixth function for receiving the first TXP-based file as a first TXP-based receipt file in an inbox file subsequent to processing of the first TXP-based file by the financial institution; and

a seventh function for decrypting the first TXP-based receipt file, for storing the decrypted file as a second TXP-based receipt file in the database, and for replacing each first TXP-based file and the first TXP-based receipt file in the outbox file and inbox file, respectively, with a null file.

4. A program controlled apparatus for transmitting tax related data to a selected financial institution, reporting the data and remitting funds corresponding to the data to a selected

government authority, the apparatus performing a method which comprises the steps of:

inputting an XML-based transaction request to the apparatus from a tax computation system;

reading the request and writing data of the request in a selected XML-based input
5 file of a database;

parsing the input file to determine whether the XML-based transaction request is
valid;

if the request is invalid, creating an XML-based file including the request and
error, and sending the file as a response to the tax computation system;

10 if the request is valid, determining the type of request being made;

if the request is a status request, extracting a transaction identifier from the
request, retrieving a file from the database containing the current automated clearinghouse
network status and other data for the request, creating an XML-based response to the request to
indicate that the request has been successful, and sending the response to the tax computation
15 system;

if the request is a remittance request, determining whether all required elements
of the request are non-blank, and if all required elements of the request are non-blank, then
determining whether the amount of tax computed is valid; and if the amount of tax computed is
valid, then determining whether the message identifier in the request is unique, and if the
20 message identifier is unique, then storing the request in a log file of the database, retrieving the
transaction identifier for the request from the database, creating a file including the request and
transaction identifier to indicate that the request has been successful, and sending the file to the
tax computation system; and

if at least one required element of the request is blank, or if the amount of tax computed is invalid, or if the message identifier is not unique, then creating an XML-based file including the request and error to indicate that the request is erroneous, and sending the file to the tax computation system.

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5. A program controlled apparatus for transmitting tax related data to a selected financial institution, reporting and remitting funds corresponding tot he data to a selected government authority, the apparatus creating a master XML-based file by a method which comprises the steps of:

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retrieving a log file from a database indicating that a successful request for remittance of tax related information has been made;

creating a master XML-based transaction request file;

storing the master XML-based file in the log file of the database; and

accessing an XML-based network status file from the database and updating the

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file to indicate that the master XML-based file has been created in the log file.

6. A program controlled apparatus for transmitting tax related data to a selected financial institution, reporting the data and remitting funds corresponding to the data, over an interactive communications network, to a selected government authority, the apparatus creating an automated clearinghouse network file by a method which comprises the steps of:

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determining whether a TXP-based file for an automated clearinghouse network is present in an outbox of a system for receiving an XML-based transaction request from a tax computation system and converting the request to a TXP-based file for the network;

if a TXP-based file for the network is detected in the outbox, then no conversion is performed on the TXP-based file;

if no TXP-based file for the network is detected in the outbox, then selecting a sequence number for updating an XML-based file;

5 if a request from the tax computation system has not been processed, then retrieving a master XML-based request file from a database which has an automated clearinghouse network approval status;

combining the retrieved master XML-based request file with a total XML-based request file;

10 converting the total XML-based file to a TXP-based file for the network;

storing the total XML-based file and TXP-based file in a log file of the database;

updating a status file for the network in the database to indicate that a TXP-based file for the network has been created for XML-based transaction requests in the master XML-based request file; and

15 deleting the total XML-based request file.